

Monica Tranel  
TRANEL LAW FIRM, P.C.  
401 Washington Street  
Missoula, Montana 59802  
(406) 926-2662  
mtranel@tranelfirm.com

Montana Consumer Counsel  
111 North Last Chance Gulch  
P.O. Box 20173  
Helena, MT 59620-1703  
jbrown4@mt.gov

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER OF The Application of AquaFlo, LLC, For Approval of Rates and Charges For Water and Sewer Service in its Helena, Montana Service Area	REGULATORY DIVISION  <b>DOCKET NO. 2020.10.100</b>
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**STIPULATION OF AQUAFLO AND  
THE MONTANA CONSUMER COUNSEL**

AquaFlo, LLC and the Montana Consumer Counsel stipulate and agree as follows.

1. On September 30, 2020, AquaFlo filed an Application with the Montana Public Service Commission for the authority to increase rates and charges for water and sewer service in its Helena, Montana, service area.
2. The cost of service presented in the filings was based on a test year period of twelve months ended December 31, 2019. In its application, AquaFlo requested a \$62.27 flat monthly rate, a \$0.722 per 100 gallons consumptive charge, and an excess water usage rate of \$1.444 per 100 gallons.

3. On November 17, 2019, the Commission appointed staff attorney Lucas Hamilton as the hearing examiner in this docket. On November 20, Mr. Hamilton issued the Notice of Application and Intervention deadline, and the MCC's petition for intervention was granted. MCC reviewed and conducted discovery on AquaFlo's application and pre-filed testimony. Following discovery, the parties entered into settlement discussions.

4. For settlement purposes, a fair and equitable resolution of the issues in this docket, one which would result in the establishment of just and reasonable rates, would be as follows, and as further described in this Stipulation:

A. AquaFlo should be authorized, in a final rate order adopted by the Commission in this docket, to charge rates according to the following Water and Sewer Service tariff components:

	<b><u>Final Rates</u></b>
Flat Rate - per month	\$55.00
Water Use Rate - per 100 gallons	\$0.560
Excess Water Use Rate - per 100 gallons	\$1.250

B. Final rates to be authorized to be charged by AquaFlo are reflected on the Tariff attached hereto as Appendix A. If there is any conflict between the language in this Stipulation and the proposed tariffs, the proposed tariffs control.

C. The parties respectfully ask the Commission to approve the Stipulation and to make it effective as soon as reasonably possible after approval.

5. This Stipulation is entered into in settlement of the issues raised in this docket and is not to be considered as precedent for any other proceeding. The parties to this Stipulation

agree that the resolution contained herein is a fair and reasonable resolution of the issues presented in the docket, results in just and reasonable rates, ensures continued quality utility service, and is in the best interest of the rate payers, the utility and other interested stakeholders. The parties to this Stipulation present it to the Commission as a reasonable settlement of the issues raised in this docket. Neither party's position in this docket is accepted by the other party by virtue of its entry into this Stipulation, nor does it indicate its acceptance, agreement or concession to any methodology, ratemaking principle, adjustment, cost of service determination or legal principle arguably embodied in this Stipulation.

6. This Stipulation is offered as a complete unified settlement of the issues in this proceeding and has been arrived at through a process of compromise and negotiation. The reasonableness of the proposed settlement set forth in this Stipulation depends on its adoption in its entirety by the Commission. If the Commission decides not to adopt, in its entirety, the proposed settlement set forth in this Stipulation, the entire Stipulation is null and void, neither party is bound by it, and it shall have no force or effect whatsoever.

7. AquaFlo and MCC further agree to suspend the remaining items on the procedural schedule, up to and including the preparation of post-hearing briefs, pending Commission approval of the Stipulation. If the Commission decides not to adopt, in its entirety, the proposed settlement set forth in this Stipulation, the parties reserve the right to continue with the items listed on the procedural schedule beginning with Intervenor testimony.

Dated this 8<sup>th</sup> day of March, 2021.

TRANEL LAW FIRM, P.C.

/s/ *Monica Tranel*

Monica Tranel  
401 Washington Street  
Missoula, Montana 59802  
(406) 926-2662  
mtranel@tranelfirm.com  
ATTORNEY FOR AQUAFLO, LLC

MONTANA CONSUMER COUNSEL

/s/ *JASON BROWN*

JASON BROWN